



DEFENSE LOGISTICS AGENCY
DEFENSE NATIONAL STOCKPILE CENTER
8725 JOHN J. KINGMAN ROAD, SUITE 3229
FT. BELVOIR, VIRGINIA 22060-6220

January 7, 2003

IN REPLY
REFER TO

**AMENDMENT NO. 003 TO
BASIC ORDERING AGREEMENT FOR
PLATINUM GROUP METALS**

UNDER DLA-PGM-002

Effective January 7, 2003, the following changes are hereby made to the above referenced solicitation.

1. E.2 Delivery of Material

Delete E.2 in its entirety and replace with the following:

a. Unallocated Account

- (i) Palladium. Delivery of palladium may be accomplished in unallocated form if the Contractor has an established metal account with Morgan Guaranty Trust Company of New York or Johnson Matthey.
- (ii) A contractor that does not have an unallocated pool account with Johnson Matthey or Morgan Guaranty Trust Company of New York may take physical delivery of the material. A Contractor interested in establishing an unallocated pool account must contact the appropriate institution directly. The Defense National Stockpile Center does not guarantee that Johnson Matthey or Morgan Guaranty Trust Company of New York will establish such an account, nor are these institutions obligated to open an unallocated account with a Contractor.
- (iii) DNSC will notify Johnson Matthey or Morgan Guaranty Trust Company of New York, as appropriate, within two business days of receipt of transfer instructions.
- (iv) Transfer instructions must be received by DNSC no later than 2:00 p.m., local time, Ft. Belvoir, VA two business days preceding that date of desired delivery, if payment terms have been extended. If payment terms have not been extended transfer instructions must be received by DNSC no later than 2:00 p.m., local time, Ft. Belvoir, VA three business days preceding the date of desired delivery. Confirmation of payment must be received one day prior to the transfer/value date. Any transfer instructions received after 2:00 p.m. will be deemed received on the following business day.

(v) Transfer instructions shall include all pertinent information required under Section F.1. Incomplete transfer instructions may result in transfer being delayed.

(vi) DNSC will not process transfers until it receives confirmation of receipt of payment. If payment terms have been granted, transfer will be processed upon receipt of transfer instructions, provided the Contractor's credit limit has not been exceeded (See Section D.2).

(vii) Confirmation will be sent to the Contractor via facsimile from Johnson Matthey, or Morgan Guaranty Trust Company of New York when transfer is complete.

b. Physical Removal of Material

- (i) DNSC will notify Johnson Matthey or Morgan Guaranty Trust Company of New York, as appropriate, within two business days of receipt of transfer instructions.
- (ii) Johnson Matthey or Morgan Guaranty Trust Company of New York require a minimum of five business days notice before material may be removed.
- (iii) Material is sold on an F.O.B. basis from the vaults.
- (iv) Preparation and packing charges will be assessed as follows:

Palladium at Johnson Matthey

Quantity	Charge
< 1,000 troy ounces	\$200.00 for each shipment
1,000 – 3,000 troy ounces	\$300.00 for each shipment
> 3,000 troy ounces	\$500.00 for each shipment

Palladium at Morgan Guarantee Trust

Loco London

Quantity	Charge
100 – 300 ounces	\$8.00/ounce
301 – 500 ounces	\$2.50/ounce
501 – 1,000 ounces	\$2.00/ounce
1,001 – 3,000 ounces	\$0.85/ounce
3,001 and over	\$0.50/ounce

Loco Zurich

Quantity	Charge
100 – 300 ounces	\$2.00/ounce
301 – 500 ounces	\$1.00/ounce
501 – 3,000 ounces	\$0.50/ounce
3,001 and over	\$0.35/ounce

Loco New York

Address: Brinks NY
652 Kent Avenue
Brooklyn, NY 11211

Quantity	Charge
100 – 300 ounces	\$8.00/ounce
301 – 500 ounces	\$2.50/ounce
501 – 1,000 ounces	\$2.00/ounce
1,001 – 3,000 ounces	\$0.85/ounce
3,001 and over	\$0.50/ounce

- (i) Contractors must submit all shipping information that is required and set forth in J.2 Transfer/Shipping Instructions. These instructions must be accompanied by payment, unless payment terms have been granted.

2. SECTION I – SUBMITTALS

I.2 Shopping List

Delete I.2 in its entirety and replace with the following:

<u>Commodity</u>	<u>Quantity</u>	<u>Form</u>	<u>Quality</u>	<u>Location</u>
Palladium	184,686.96 TrOz	Sponge	99.95%	Johnson Matthey
Palladium	10,000 TrOz	London Good Delivery, Ingot	99.95%	Morgan Guarantee

3. Except as provided herein, all other terms and conditions of DLA-PGM-002 as amended by Amendment 002, remains current and still in full force and effect.

Failure to acknowledge receipt of this Amendment may result in the Bidder being ineligible for award.

Name of Firm: _____

Address: _____

Signature: _____

Title: _____

Date: _____